SPECIAL JOINT MEETING NS TOWN COUNCIL/SEWER COMM.

JULY 13, 2009

NORTH SMITHFIELD HIGH SCHOOL

6:30 P.M.

The meeting began at 6:37 P.M. with the prayer and the pledge. Council members present were Dr. Benoit, Mr. Biron, Mr. Leclerc, Mr. Zwolenski and Mr. Lovett. Town Administrator Hamilton and Town Solicitor Nadeau were also in attendance.

Sewer Commission members present were Mr. Connolly, Mr. Kane, Mr. McGee and Mrs. Briggs. Mr. Nordstrom arrived a little later but sat in the audience and did not take part in any discussion. Also in attendance was project engineer James Geremia.

PROCEDURE FOR SEWER PAY REQUESTS

The procedure discussed was to have Mr. Geremia get the information simultaneously to the Town Administrator and the Sewer Commission. The Sewer Commission will make their recommendation at their meeting; the Administrator and the Finance Director will make their recommendations and it will come to the Council in the normal fashion.

SEWER PROJECT PAY REQUESTS

James J. Geremia & Associates, Inc.

MOTION by Mr. Leclerc and seconded by Mr. Biron to approve payment of Amendment No. 4, Invoice No. 10, for Design Services in

the amount of \$13,103.64.

Roll call: Dr. Benoit – yes; Mr. Biron – yes; Mr. Leclerc – no; Mr. Zwolenski – no; Mr. Lovett – yes. The motion carried 3 to 2.

MOTION by Mr. Leclerc, seconded by Dr. Benoit, and voted unanimously on a roll call vote to approve payment of Invoice No. 9 for Construction Administration and Resident Inspection Services in Phase 1A in the amount of \$19,782.53.

MOTION by Mr. Leclerc, seconded by Dr. Benoit, and voted unanimously on a roll call vote to approve payment of Invoice No. 9 for Construction Administration & Resident Inspection Services for Phase 1B in the amount of \$6,513.67.

John Rocchio Corporation

MOTION by Mr. Leclerc, seconded by Mr. Biron, and voted unanimously on a roll call vote to approve Payment Request No. 8 dated June 5, 2009 for Phase 1A in the amount of \$109,682.44.

Boyle & Fogarty Construction Co.

MOTION by Mr. Leclerc, seconded by Mr. Biron, and voted unanimously on a roll call vote to approve Payment Request No. 6 dated May 31, 2009 for Phase 1B in the amount of \$13,319.95.

James J. Geremia & Associates, Inc.

MOTION by Mr. Leclerc and seconded by Dr. Benoit to approve Contract Amendment No. 5 for Professional Engineering Services relating to the Comprehensive Wastewater Management Facilities Plan.

Roll call: Dr. Benoit – yes; Mr. Biron – yes; Mr. Leclerc – no; Mr. Zwolenski – no; Mr. Lovett – yes. The motion carried 3 to 2.

SEWER TIE-IN RESIDENT NOTIFICATION

Mr. Geremia explained that the sewer ordinance states residents have one year to tie-in from the time that the town certifies the project is complete. Council action during the rest of this meeting will July 13, 2009

determine if there will be mandatory tie-ins or if that condition will be relieved. Mrs. Hamilton has asked for a \$150,000 loan to be put aside for a sewer tie-in loan program.

ENGINEERING FEES FOR THREE PHASES OF SEWER PROGRAM

Mr. Leclerc placed this on the agenda so that design fees and resident inspection fees could be explained to everyone. According to his information, \$126,800 has been paid to date for engineering fees in Phases 1A and 1B. Phase II is at \$131,505.52 and Phase III is at \$146,180.26. These numbers do not include easements or aerial work that is to be done that amounts to an additional \$62,667.00. Mr. Leclerc is concerned about moving forward with design elements in

light of the controversy over the project. The system is more focused on grinder pumps than gravity.

Mr. Leclerc also felt it would be unfair for residents in Phases 1A and 1B to carry the entire financial burden if, hypothetically, the last two phases were not completed.

(Mr. Nordstrom arrived at 7:03 P.M.)

PUBLIC COMMENT

Sewer Commission member Shawn Kane proposed moving forward with Phase II but altering the design by removing the low-pressure sewer system in the Lincoln Drive area and replacing it with a gravity-fed system, utilizing an easement in that area. He suggested removing the cost of paving the roads affected by all phases from the bond and charging it to the town as a whole. In addition, Mr. Kane requested the Council to consider repealing the current Phase III and redesigning and relocating the project to a different area of town, i.e. Providence Pike 2, Providence Pike 1 and a section of Victory Highway near Gator's Pub. He also suggested creating a proposed expenditure sheet, taking into account current economic conditions, and to use newly updated Equivalent Dwelling Unit numbers to maximize households on the system at minimal cost.

Mr. Robert Thurber and Mrs. Mariellen Sheridan gave a power point presentation once again raising concerns about the proposed sewer project. Mr. Thurber felt the bond was unclear as to what areas would receive sewers. Those residents did not receive notice nor was the cost made clear. The number of projected EDUs was greatly reduced as time went on.

Mr. Lovett disagreed, noting that several Sewer Commission meetings had been advertised and held and residents who were interested in hearing about the project were welcome to attend those meetings.

Sewer Commission Chairwoman Linda-Jean Briggs commented that areas were chosen based upon environmental and economic impacts as defined in the Facilities Plan.

Mr. Lovett explained that the method of calculating the number of EDUs was changed following a Council meeting in January of 2008. Members learned at that time that, for example, a three-family home would be assessed three EDUs resulting in a cost of \$63,000 for the owner. The Sewer Commission reviewed the calculation with the Administration and proposed a new method that eventually resulted in the number of EDUs dropping from 1,000 to 880. It was later explained that a one hundred percent buildout of Branch Village was included in the formula, which, if eliminated, reduces the number of EDUs further.

Mrs. Briggs provided actual expenses for Phases IA, IB and II. She

came up with a total of \$1,676,831 for Phase IA, \$1,490,848 for Phase IB and \$6,587,181 for Phase II. Subtracting \$1,114,614 of stimulus money and \$2,875,000 for road repaving, the total for those three areas is \$5,961,168.

Approximately twenty residents spoke against continuing the sewer project. Most cited cost as the reason.

Chris Carey of Andrews Terrace has asked for sewers, as has her mother for the past thirty years, and would like to be connected to the nearby pumping station. Ms. Carey felt a \$21,000 assessment would be

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a burden and every other area in town that has been sewered received some type of financial help.

Jeff Hartley of Park Drive needs to have a connection or his home would be inhabitable. However, he questioned if homeowners in the first phase would be responsible for the entire cost.

Lisa Carter claimed no one has made a compelling argument that the cost of this project justifies the need. No one has done a needs assessment that is really good. The project should pause for a few months to enable the town to gather data. She feels the Town Council is leaning towards not mandating tie-ins for a few years. So

everyone involved in this project who does not want to tie in, will have to get an inspection of their system within a year or two. She recommended having a certified inspector examine the systems now. People will learn if they need a sewer system or not.

Leo Lapierre, a certified residential, industrial and commercial appraiser, stated that putting a burden of a sewer assessment on a home that does not need sewers lowers the value of the home. He projected if the project moves forward as it now exists, the town could lose approximately \$121,000 to \$150,000 in taxes.

Larry Drapeau questioned funding for prior sewer projects.

Mr. Lovett explained that when the sewer interceptor, which is the large pipe into which all the smaller pipes run, was built, 75 percent was paid by federal funding, 15 percent was paid by state funding and 10 percent was paid by town funding. All of the smaller sewer projects were paid by those residents who received the sewers. In addition, the paving was part of those costs.

Mr. Lovett asked Mr. Geremia to explain to the residents about the use of grinder pumps versus a gravity-fed system.

Mr. Geremia stated the Lincoln Drive area, based on the Facilities Plan, was supposed to be low pressure sewers. It was done that way because of the contours of the land. Residents later informed him

there was an easement from Lincoln Drive down to St. Paul Street. Utilizing that easement would eliminate grinder pumps from the Lincoln Drive area. Although people may not like grinder pumps, they are more cost effective for the general community. Mr. Geremia explained that in the Great Road section there is a large gas line. In order to do gravity sewers there, and the plan has now been changed, the town will have to replace sections of that gas line.

The only place now that would have grinder pumps is the Branch Avenue area. Andrews Terrace was never scheduled to have grinder pumps. It is a gravity system from Andrews Terrace down to the Great Road project area. Mr. Geremia examined the possibility of running a line cross country and tying into a pumping station owned by a private company. The land that would have to be crossed is contaminated and to go ahead and put sewers there is irresponsible, not even considering the permitting process.

According to the Facilities Plan, the Mendon Road area was always designated as low pressure sewers.

Due to the amount of ledge in the area, the cost of placement of a pump station and the cost of crossing Dawley Brook, Mr. Geremia notified the Sewer Commission there would be an additional cost of one million dollars to go with a gravity system there.

Low pressure sewer systems are being installed in many New

England communities and the reason is because they are less expensive. North Smithfield has ledge and groundwater. In order to minimize the overall construction costs, grinder pumps were considered. The Sewer Commission has looked at every option including extending the warranty on the grinder pumps, giving long-term maintenance agreements and providing a generator to assist in emergencies.

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CONSIDERATION AND VOTE ON SEWER PROJECT

Mr. Lovett's feeling with this project was to try to come up with the lowest possible assessment. The Sewer Commission has stated that a lot of money has been saved on construction supplies and costs due to the economy. The longer the project is delayed, the more the costs will go up. Federal stimulus money is available until February 17, 2010. Sewers are environmentally friendly. A Redevelopment Agency was created to assist in expanding the Branch Village area. One hundred percent buildout won't happen in the next two or three years but it will happen. Now is the time to start laying the groundwork.

Some of the cons of the project are the assessment bills, grinder pumps vs. gravity-fed systems, and residents with currently working systems.

Mr. Lovett's recommendation is to move forward with Phase II, applying the stimulus money to Phases IB and II, backing out the repaving costs for Phases IA, IB and II, extending one-year tie-in requirements to at least five years with the stipulation that if the house is sold, tie-in must occur within one year, negotiating extended warranties for the grinder pumps, and making generators available in emergency situations.

Mr. Lovett provided the following calculation:

Monies spent to date: for Phase IA - \$1,676,831, for Phase IB - \$1,490,848, for Phase II - \$6,587,181 that includes the bid and engineering design, and Phase III - \$195,922 for a total of \$9,950,782. Backing out the thirteen percent (possibly fifteen percent) stimulus for which the town is eligible, \$1,114,614, and the cost of road repaving, \$2,875,000, leaves a balance of \$5,961,168. The number of EDUs for Phase IA is 127, for Phase IB is 98 and for Phase II, without Branch Village, is 185 for an actual total of 410 EDUs. This equates to an annual assessment of \$14,539.43. Based on an interest rate of three and one-half percent, this results in an annual payment of \$1,011.

Mr. Geremia commented that vacant properties are now considered one EDU. Should construction occur on that property that warrants

additional EDUs, it would be reassessed.

In response to a question from Mr. Cesana, Mr. Geremia explained that his firm serves as the clerk of the works. He represents the town and in that capacity he determines exact quantities of work that is constructed. Resident engineers are in the field who examine what goes in the ground, including the quantity and the quality, because J. Geremia & Associates reviews every item on the pay requests presented to the Sewer Commission and the Town Council.

Mr. Lovett concluded with an additional recommendation that the town stop all the design and engineering work for Phase III at this time. He is not convinced that sewers are needed in the Harkness Road East or Harkness Road West areas and he would like to give the Sewer Commission an opportunity to review those areas.

Mr. Leclerc feels there should be a needs analysis done for Phase II. He is concerned with the lack of federal, state and town funding, the design elements based primarily on grinder pumps versus the focus on gravity-fed systems, EDU inconsistencies, and the poor timing considering the economy. Mr. Leclerc cannot support going forward with this project.

MOTION by Mr. Leclerc, seconded by Mr. Zwolenski, and voted unanimously on an aye vote at 10:05 P.M. to extend the meeting to 10:30 P.M.

MOTION by Mr. Leclerc and seconded by Mr. Zwolenski with discussion, to stop the project by not going forward with Phases II and III, perform a comprehensive needs assessment by reevaluating areas in need, reassess design elements i.e. gravity vs. grinder pumps, apply and capture federal and state funding to offset the overall cost and then move forward when the economic climate is acceptable to proceed.

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Mr. Zwolenski agreed this is a difficult economic time. He has seen some movement with numbers this evening and believes everything has to be reviewed. He will be supporting Mr. Leclerc's motion.

Dr. Benoit believes the town needs sewers because of the potential threat to the water supply. A number of residents still have cesspools and although the town cannot mandate the elimination of all cesspools, it is only because the state legislature did not have the political wherewithal to initiate the recommendations of the Department of Environmental Management. DEM absolutely abhors cesspools. People who have owned their homes for thirty or forty years probably have cesspools and this presents a threat to our water supply. Finding an amount of e coli in the aquifer could lead to very serious health consequences. One thing not mentioned this evening is that existing systems seem to be going on at no cost and the

owners would not incur any cost for their eventual replacement if sewers did not go forward. Dr. Benoit feels people are not factoring in annual maintenance such as pumping fees and the eventual very high cost to replace it with a new DEM-approved system.

Mr. Biron realizes the cost and the hardships that could be incurred. For those people who have had a septic system for thirty or forty years that has not been inspected, they do not know for a fact that their system is not contaminated and could be affecting their neighbors' wells. Mr. Biron is concerned that if the project is stopped and two years in the future someone's well is found to be contaminated from a neighboring septic system that has failed, the owner of that septic system could possibly be paying thirty to forty thousand dollars for a new system. In addition, the contractor is not going to allow payment over twenty years at three percent.

Mr. Lovett realizes the cost of what he has proposed. He is not asking that his recommendation be approved but that it be considered. The Finance Director and the Town Administrator should have an opportunity to review it. Mr. Lovett feels the motion is premature.

Roll call: Dr. Benoit – no; Mr. Biron – yes; Mr. Leclerc – yes; Mr. Zwolenski – yes; Mr. Lovett – no. The motion carried 3 to 2.

AWARD OF BID - PHASE II SEWER PROJECT

There was no discussion.

MOTION by Dr. Benoit, seconded by Mr. Leclerc, and voted unanimously on an aye vote to adjourn at 10:28 P.M.

Respectfully submitted,

Debra A. Todd, Town Clerk